

Title Guaranty Division Board Meeting Minutes

March 1, 2005

Board Members Present:

Walter Murphy
Surasee Rodari
Mitchell Taylor

Staff Members Present:

Loyd Ogle, Title Guaranty Director
James Smith, IFA General Counsel
Dennis Dietz, Director of Policy &
Governmental Affairs
Matt White, TGD Deputy Director
Tim Jansen, IFA Accountant
Karen Stanton, Administrative Assistant

Others Present:

Don Guisinger – Iowa Land Title Association

Call to Order

Chairman Taylor called the March 1, 2005 meeting of the Title Guaranty Board of Directors to order at 1:04 p.m.

Review & Approval of Board Meeting Minutes

Motion: On a motion by Mr. Rodari, seconded by Mr. Murphy, the Board unanimously approved the December 14, 2004 Board meeting minutes.

Review & Approval of Financial Reports

Mr. Jansen explained the narrative portion of the financials to the Board members.

Motion: On a motion by Mr. Murphy, seconded by Mr. Rodari, the Board unanimously approved the January, 2005 financials.

Transfer of Funds to IFA's Housing Programs

Motion: On a motion by Mr. Rodari, seconded by Mr. Murphy, the Board unanimously approved the transfer of \$725,000 to the Iowa Finance Authority's Housing Programs.

Claims Report

Mr. White explained the graphs and report he handed out to the Board members. Claims are increasing as expected. Since the beginning of December, there have been 18 new claims with 6 of them having been settled or satisfied. A total of twenty-seven claims have been settled or satisfied since the last Board meeting. There was one significant claim paid that dealt with the lack of a separate homestead waiver. There are 3 claims that are pending litigation.

Business Report

Mr. Ogle expanded on the graphs that were handed out to the Board members. Marketing and training has been a priority at the Division. This fiscal year, premiums have been quite steady compared to previous years.

Director's Report

Mr. Ogle reported to the Board the status of the Demotech actuarial analysis. A preliminary draft has been received and is being reviewed by various staff members.

Mr. Ogle informed the Board that he and Mr. White are going to meet with members of the Scott County Bar Association later in the week to address their concerns.

The Attorney Manual has been sent to the public in pieces, to introduce the new programs. Attorneys can now offer the Rapid Certificate Program.

Mr. Ogle updated the Board members on the status of the Attorney General's opinion of attorney abstracting. The Attorney General's Office has not yet given the Division an opinion to pass onto the Dunakey and Klatt Law Firm.

Legislative Update

Mr. Ogle reported there are several states around the country having sincere issues with the title insurance industry. There seems to be a broad systematic kick-back scheme going on that involves some of the top four title insurance companies.

Mr. Dietz informed the Board that Senate Study Bill 1195 is the abstractor licensing bill. This bill requires anyone who searches records to have a license. He is hopeful that interested parties will be able to meet and discuss this issue.

The bill adding abstractors to the Mortgage Release Program has made it through the House and should make its way through the system.

The Ag Homestead Waiver bill is in the final stages of being drafted.

Title insurance authorization has not been raised in the legislature as of yet.

Authorization to Raise the Reinsurance Rate

Mr. Ogle reported to the Board that Demotech will be analyzing the feasibility of raising the reinsurance rate of Title Guaranty Certificates.

Motion: On a motion by Mr. Rodari, seconded by Mr. Murphy, the Board unanimously voted to follow the advice and recommendation of Demotech regarding the reinsurance rate of Title Guaranty Certificates.

Miscellaneous Items

The next meeting date will be determined at a later date, sometime in June 2005.

Adjournment

Motion: On a motion by Mr. Murphy, seconded by Mr. Rodari, the Board unanimously voted to adjourn at 1:58 p.m.

Dated this 14th day of June, 2005,

Respectively submitted:

Approved as to form:

Loyd W. Ogle, Director
Title Guaranty Division

Mitchell Taylor, Chair
Title Guaranty Division